THE PRINCIPLE OF THE COMMUTATION ACT, &c.

[Price ONE SHILLING.]

THE PRINCIPLE OF THE COMMUTATION-ACT ESTABLISHED BY FACTS.

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PRINCIPLE

OF THE

COMMUTATION-ACT, &c.

SUFFICIENT time has now elapſed, ſince the paſſing of the Commutation-Act, to enable every Perſon, who has taken an active part in that buſineſs, as well as the Publick at large, to form a ſound judgment upon the conſequences which have reſulted therefrom: and as thoſe conſequences have been far more important, extenſive, and beneficial, than the moſt ſanguine friends and admirers of that meaſure could have expected; it muſt be ſatisfactory to the Publick, to have the progreſs and iſſue of the Plan, during the firſt Year of it's operation, laid before them: more eſpecially, as the Eaſt-India Company are not poſſeſſed of funds ſufficient to enable them to continue, and permanently to ſecure, thoſe advantages which have been derived from the meaſure in queſtion: and moreover, as the benefits which have reſulted

from the Commutation-Act, may tend to open the eyes of the Nation to their true intereſt; and demonſtrate, that the principle of that Act may be extended, with equal ſucceſs, to many other branches of the Revenue; promoting, at the ſame time, the general welfare and proſperity of the Kingdom.

The Author of theſe Sheets writes neither from party views, nor upon party principles. The only connexion he ever had with the Treaſury aroſe from his being employed in a very conſiderable ſimplification of the public expenditure, in the buſineſs of ſupplying the whole of the Army Victualling Contracts, during the time that the Marqueſs of Lanſdown preſided at that Board. The execution of that great and important work, together with his ſituation in the City, naturally led to his being confidentially conſulted reſpecting other Affairs, of a commercial nature, which were either depending, or in contemplation. The Tea Propoſition (which was preſented to his Lordſhip by Mr. Richardſon, of the Eaſt-India Houſe) and many other Plans were then in agitation; and more or leſs progreſs was made in them, as time and other circumſtances would per-

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mit. The Propoſition reſpecting the Duties upon Tea was alſo communicated to ſeveral principal Perſons belonging to the Exciſe and Cuſtoms, and to others who were competent to judge of it's merits; and was generally approved. Under theſe circumſtances, the Author's moſt ſanguine wiſhes were early embarked in the ſucceſs of this Meaſure; and it affords him the greateſt ſatisfaction to declare, that he feels himſelf infinitely gratified by the event.

For the purpoſe of aſſiſting the eye, as well as the underſtanding, of the moſt common reader, the diviſions, into which it became neceſſary to ſeparate the Subject, are marked as diſtinctly and as conciſely as poſſible: and, thus much being premiſed, he begs leave to begin, by ſubmitting to the reader's inſpection two ſhort Statements, taken from the Report made by the Court of Directors in November 1784, already publiſhed.

By the firſt Statement it appears, that in ten years, ending the 5th of July, 1784, the following quantities of Tea were delivered to the Buyers for home-conſumption: viz.

	BLACK TEA.			GREEN TEA.		
	BOHEA.	CONGOU.	PEKOE and SOUCHONG.	SINGLO.	HYSON.	TOTAL.
Sold on the Company's account	℔ 24,271,559	℔ 4,483,885	℔ 828,255	℔ 14,351,308	℔ 1,492,357	℔ 45,427,364
Private-Trade of the Company's Officers, ſold by the Company ——	970	41,851		13,660	959,039	1,015,520
Prize-Tea during the War, per Eſtimate — —	1,549,610	484,945	48173	190,850	177,466	2,451,044
In all — —	25,822,139	5,010,681	876,428	14,555,818	2,628,862	48,893,928
Average Conſumption per annum of Tea legally imported — —	2,582,214	501,068	87,642	1,455,581	262,886	4,889,392

It

It further appears, that, during the ſame ten years, there was delivered for Exportation:

	Bohea.	Congou.	Pekoe and Souchong.	Singlo.	Hyson.	Total.
Sold on the Company's account	℔ 7,276,758	℔ 1,830,143	℔ 115,856	℔ 3,859,494	℔ 764,275	℔ 13,846,526
Private-Trade, per Eſtimate	323	13,950		4,553	319,679	338,505
Prize-Tea, per Eſtimate	336,670	103,928	3,349	19,961	38,586	502,494
In all	7,613,751	1,948,021	119,205	3,884,008	1,122,540	14,687,525
Annual Average	761,375	194,802	11,920	388,400	112,254	1,468,752

Average-Sale for Home-Conſumption per Annum, ℔ 4,889,392
Ditto for Exportation, - - - ditto - 1,468,752

Total ſold per Annum, ℔ 6,358,144

The average-prices and value paid for the ſame, including the Duty of 27l. 0s. 10d. per cent. to the Cuſtoms; 1s. 1$\frac{4}{5}$d. per ℔ and 28l. 15s. per cent. to the Exciſe; and deducting the Diſcount of 6$\frac{1}{2}$ per cent. formerly allowed by the Company, but which has been diſcontinued;—were as follow; viz.

			s.	d.		
℔ 2,582,214	of Bohea,	at	4	3$\frac{3}{4}$	℘ ℔	£ 556,788
501,068	of Congou,	at	6	10$\frac{1}{4}$		171,720
87,642	of Souchong,	at	8	0$\frac{7}{8}$		35,376
1,455,581	of Singlo,	at	6	8$\frac{1}{2}$		488,226
262,886	of Hyſon,	at	11	10$\frac{5}{8}$		156,225
Amount of the Tea ſold for Home-Conſumption,						£ 1,408,335

As the whole of the Duty was drawn back upon that part which was ſold for exportation, the net prices and value paid by the purchaſers of ſuch Teas were as follow; viz.

				s.	d.		
Bohea	—	℔ 761,375	at	1	8$\frac{95}{100}$	℘ ℔	£66,461
Congou	—	194,802	at	3	1$\frac{70}{100}$		30,600
Souchong	—	11,920	at	3	9$\frac{74}{100}$		2,271
Singlo	—	388,400	at	3	0$\frac{75}{100}$		59,473
Hyſon	——	112,254	at	5	10$\frac{26}{100}$		33,189
Amount of the Tea ſold for Exportation, —							£ 191,994

The

The Prices immediately preceding the alteration were, upon the whole, ſomewhat higher than this Average; and, conſequently, more favourable for the compariſon; but the Average of a number of years appears the leſs-exceptionable ground of computation.

The Duties upon Tea during the period beforementioned varied; but ſuppoſing that the higheſt Duties, which became payable during the latter part of the period of ten years, had been payable during the whole of it; in that caſe, the Publick would have received no more than £815,606 per annum. But, as Smuggling was continually increaſing, it is beyond a doubt, that the quantity of Tea ſold, and, of courſe, the Duty payable thereon, would have decreaſed very conſiderably every year, if the Commutation-Act had not taken place. Indeed, the actual receipts of the Publick, for a long period, did not exceed £700,000 per annum: and as the foreign Companies had imported immenſe quantities of Tea from China, which they ſold at very reduced Prices, there is great reaſon to believe, that, by the conſequent diminution of the Company's Sales, the Duty payable to Government would not,

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at the prefent time, have amounted to more than £ 500,000 per annum.

The firft Sale, after the alteration, began on the 16th of September, 1784; from which period, to the end of Auguft following, the Company fold,

℔	6,076,620	of Bohea
	2,870,719	of Congou
	635,866	of Souchong
	5,036,363	of Singlo
	1,533,102	of Hyfon

Total ℔ 16,152,670;—producing, at various prices, and including the new Duty of 12 ½ per cent. paid to Government, £2,806,814. If the fame quantity of Tea had been fold at the Prices which the fair Trader paid before the Commutation-Act took place, the coft to the Purchafers would have been as follows; viz.

			s.	d.	
℔ 6,076,620	of Bohea,	at	4	$3\frac{3}{4}$	£ 1 310,271
2,870,719	of Congou,	at	6	$10\frac{1}{4}$	990,200
635,866	of Souchong,	at	8	$0\frac{7}{8}$	249,149
5,036,363	of Singlo,	at	6	$8\frac{1}{2}$	1,689,280
1,533,102	of Hyſon,	at	11	$10\frac{5}{8}$	911,078
					£ 5,149,978

Deduct the old Duty upon ſuch part as hath been, and will probably be exported; viz.

			s.	d.		
Bohea,	℔ 621,200	at	2	$6\frac{80}{100}$	£ 79,721	
Congou,	471,100		3	$8\frac{55}{100}$	87,446	
Souchong,	22,900		4	$3\frac{13}{100}$	4,878	
Singlo,	643,840		3	$7\frac{75}{100}$	117,366	
Hyſon,	114,900		5	$11\frac{66}{100}$	34,306	
						323,717

Amount which the fair Trader would have paid for the Tea ſold within twelve Months after paſſing the Commutation-Act, provided the old Duties had been continued.	£ 4,826,261
But the Buyers have only paid - - -	£ 2,806,814
Deduct the Draw-back of $12\frac{1}{2}$ per cent. upon the proportion exported; - - -	36,015
	£ 2,770,799
Balance and Gain in favour of the Publick, ariſing from lowering the Duties; - -	£ 2,055,462

C Under

Under these circumstances, it is evident, that the Publick purchase their Tea for £2,055,462 less than was formerly paid by them, as a compensation for the additional Window-Tax. If, however, it be urged, that a comparison should also be made upon that part only which was purchased by the fair Trader; I beg leave to answer, that only a small proportion of the profit arising from Smuggling reached the Consumer; for, in general, the Shopkeepers in London, and in the interior parts of the Kingdom, sold the Tea to the Consumer at the same price, whether they purchased from the East-India Company, or from the Smuggler. But what I apprehend to be a conclusive answer to such a remark is, that the proportion of Gain, even upon the quantity of ℔ 6,358,144, which was delivered annually before the Act took place, is £820,000; and therefore considerably exceeds, for that quantity only, the sum at which the additional Duty upon Windows was estimated.

It is very difficult to satisfy individuals respecting the advantage which the Publick derive from any change in the mode of Taxation, unless such change applies precisely to their own experience and benefit; for which reason, I have endeavoured

to form ſome computation, in order to ſhew how much is ſaved to each individual in the price of Tea, in return for the additional Duty upon Windows; but my endeavours have been ineffectual.

The only method which I can adopt is, to ſtate the prices paid prior to the alteration, and the Prices paid ſince, both including the Duty; by which means, every perſon may diſcover very nearly the preciſe manner in which he is affected by the Commutation-Act: obſerving only, that he muſt take into the account the whole of the Tea conſumed by Servants, Lodgers, &c. as well as what is drank at his own Table.

Average-Prices of TEA prior to, and ſince the Commutation-Act took place, the Duty included.

	BOHEA.	CONGOU.	SOUCHONG.	SINGLO.	HYSON.
Average-Prices of Ten Years' Sales, prior to the Commutation-Act — —	s. d. ℔ ℔ 4 $3\frac{75}{100}$	s. d. 6 $10\frac{25}{100}$	s. d. 8 $0\frac{87}{100}$	s. d. 6 $8\frac{50}{100}$	s. d. 11 $10\frac{62}{100}$
Average-Prices of one Year's Sales ſince the Act, private Trade included — —	5 $9\frac{53}{100}$	4 $8\frac{66}{100}$	5 $10\frac{14}{100}$	3 $5\frac{24}{100}$	6 $11\frac{32}{100}$
Difference and Gain to the Purchaſers — —	℔ ℔ 2 $6\frac{22}{100}$	2 $1\frac{59}{100}$	2 $2\frac{73}{100}$	3 $3\frac{26}{100}$	4 $11\frac{30}{100}$

As the Commutation-Tax has been objected to, because it's operation is unequal, it becomes necessary to offer a few remarks upon that subject.

From the Returns made to the Tax-Office, it appears, that England and Wales contain Houses and Cottages, which are exempted from the Window-Tax, on account of poverty, - - - - 284,459

Houses which pay the Window-Tax, 714,911

Total of Houses and Cottages - 999,370

Some political Writers are of opinion, that the actual number of Houses greatly exceeds the Returns received at the Tax-Office; but although I cannot undertake to ascertain how far the number of Houses which pay the Tax exceeds the number stated in the Returns, yet I have very little doubt that the Houses and Cottages exempted, on account of poverty, amount to 600,000. However, I persuade myself, that no person will envy the wretched inhabitants the inconsiderable advantage which they enjoy.

Of

Of the remaining Houſes, not fewer than 520,025 contain ten Windows or leſs; and if no greater quantity than from two to ſix pounds' weight, of the moſt inferior Tea, be expended in each Houſe, the reduction in price will more than compenſate for the additional Duty; and, of courſe, the inhabitants muſt profit conſiderably by the Meaſure.

The number of Houſes which contain more than ten Windows, and leſs than twenty-five, is 163,051. Theſe are generally inhabited by perſons who occupy only one Houſe; and there are very few inſtances of perſons living in ſingle Houſes of this deſcription (whoſe expenſe within-doors is in any degree correſpondent to the appearance of their Houſes without) who are not benefited by the Commutation-Act.

The Houſes which remain are ſuch as contain twenty-five Windows and upwards: the number is, however, no more than 31,835: and, amongſt theſe, there are Inns, and other Publick-Houſes; and ſome Boarding-Schools, where Tea is allowed to the Children: the Occupiers of ſuch Houſes muſt therefore, from the quantity of Tea conſumed in each, be conſiderable Gainers. Part

of

of the remaining Houſes of the above deſcription are inhabited by Men of rank and fortune, who ſupport three Houſes, or more; or by thoſe who inhabit only two Houſes, but who live in a ſtile ſuitable to their ſituation and circumſtances: and the former perſons, by the exemption of the third Houſe, are amply compenſated for the additional Window-Tax upon the other two. With reſpect to perſons who inhabit only one Houſe, it is preſumed, that a moderate eſtabliſhment in ſuch Houſes will expend as much Tea, as that the ſaving in price will compenſate for the additional Duty upon Windows.

From the above premiſes it follows, that the Houſes and Cottages exempted from the Tax, on account of poverty, amount to - 284,459

Houſes containing from one to ten Windows; - - -	520,025
Ditto from ten to twenty-five Windows;	163,051
Ditto exceeding twenty-five Windows;	31,835
Total of Houſes and Cottages -	999,370

It is, however, upon a part only of the Inhabitants of the laſt Claſs of Houſes that any material

material additional burthen, in consequence of the Commutation-Tax, can fall: and, from the best information which I can obtain upon this subject, I am persuaded, that the persons occupying large Houses are, with very few exceptions, the parties who suffer by the measure. And here it should be observed, that the Returns made to the Tax-Office, of Houses containing fifty Windows and upwards, state the number at no more than 5385. If the actual number be greater, (and which is highly probable) the inhabitants of such Houses as are not included in the number returned, are exempted from the old as well as from the new Duty: but, if the Return be correct, the number of Houses of the above description, when compared with the total number of Houses contained in the Kingdom, scarcely merits attention; more especially, as even the number stated will be very considerably reduced, by the exceptions which I have mentioned.

To form an exact computation of the quantity of Tea consumed in such Houses is impossible. Many of the Inhabitants live in a profuse, and others in an economical manner. An instance occurs, in two of my friends, which is exactly

a case

a caſe in point. The number of Windows in each of their Houſes is the ſame; but the conſumption at the table of one exceeds, in a tenfold proportion, the conſumption at the table of the other; excluſive of the Tea expended by the Servants, which is ſuppoſed to be nearly equal in each Family: and yet the Family (including Servants) which conſumes the ſmalleſt quantity is benefited by the Act.

Many Perſons inhabit large houſes, whoſe mode of living within-doors is not anſwerable to their appearance without. Perſons of this deſcription are preciſely the parties, who can, in general, beſt afford to contribute towards the exigencies of the State; and who are moreover the moſt difficult for the Financier to reach; as their incomes do not contribute, in any degree proportionate to their amount, towards either the Cuſtoms or Exciſe. But, with regard to thoſe whoſe ſtile of expenſe is ſuitable to their rank, fortune, and external appearance, there cannot be a doubt but that they are upon the whole benefited.

One deſcription of Men muſt be an exception to this rule; I mean, thoſe Country Gentlemen, who inhabit large Houſes, and poſſeſs but ſmall

fortunes. However, the ſize of their Houſes muſt either be reduced to the ſcale of their income; or ſuch perſons muſt relinquiſh their old Manſions, for Dwellings more ſuitable to the contracted limits of their Fortunes: but it is evident, from the manners and faſhions of the times, that Houſes under ſuch circumſtances will gradually decreaſe in number and occupation: and it is alſo certain, that one or both of theſe circumſtances muſt have taken place, if the Commutation-Act had never paſſed; and, conſequently, they ought not to be aſſigned as cauſes for impeding the operation of a meaſure of ſuch publick and general utility.

I wiſhed to have laid before the reader a comparative Account of the conſumption of Tea in different Houſes; but I am compelled to relinquiſh my intention; as ſuch a Statement muſt be ſubject very much to opinion; many rich perſons being mean enough to purchaſe the cheapeſt Tea; and there being alſo people, of the middling and poorer claſſes, who are ſo extravagant as to purchaſe the beſt.

I have taken no notice of Scotland, becauſe the number of houſes returned to the Tax-Office

Office from thence amounts to no more than 17,734; which induces me to believe, that no complaint can poſſibly ariſe from that quarter.

As the Publick have derived very great and ſolid advantages from the Commutation-Tax; the Eaſt-India Company, in whoſe proſperity the Nation is at all times deeply intereſted, have alſo benefited very materially thereby.

When the Company laid the State of their Affairs before Parliament, in the Month of February 1784, they were burthened with Goods to a large amount in their Warehouſes, more particularly with Tea, which they could not expect to ſell for many years. Their Sales have, however, been ſo rapid and conſiderable ſince that period, as not only to enable them to diſcharge a part of the Debts then due to the Publick much earlier than their moſt ſanguine Friends and Supporters could have ſuppoſed poſſible; but alſo to make ſome progreſs in providing the additional Funds, which became neceſſary for the carrying on of their commercial concerns, in conſequence of the extenſion of their China-Trade.

When the Commutation-Act took place there remained of Tea in the Company's Ware-

houses - - -	lb	10,427,663
Returned by the Buyers to the Company prior to 16th September, 1784		2,730,287
Received by the Walpole, Ganges, Sandwich, London, and Kent		4,067,569
Received from China in 1785		6,522,872
		23,748,391
Deduct what was destroyed by fire		1,200,000
Quantity of Tea remaining	lb	22,548,391

It appears, that the Company sold annually, of their own Tea, exclusive of Private-Trade, and also of Prize-Tea,

	lb 4,542,736	for home-consumption.
	1,384,652	for exportation.
Total	lb 5,927,388	

According to this statement, the Sales, within a period of four years, ending in 1787, would have amounted only to lb 23,709,552.

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It would require, therefore, a very ſmall part of the importation in 1786 and 1787 to be added to the Stock of Tea, which, upon the ſuppoſition of the contracted Sale before-mentioned, would ſtill remain in the Company's Warehouſes, in order to furniſh a full ſupply for the Sales of four Years. But, in conſequence of the late and preſent demand, the ſame quantity will be ſold in leſs than one year and an half; making a difference in favour of the Company, with reſpect to the time of realizing the amount in their Treaſury, of two years and an half; and which anticipation of time will contribute not only to their profit, but afford alſo a very ſeaſonable addition to their Caſh. It is moreover reaſonable to ſuppoſe, that, notwithſtanding the immenſe ſurplus Stock of Tea in their Warehouſes, the Company would have continued to ſend Ships to China, for the purpoſe of bringing home a further quantity, to arrive in the Years 1786, 1787, &c. in which caſe, ſuch additional importations would have accumulated in their Warehouſes; and very probably it would have taken 'till the year 1789, before their Stock of Tea could have been reduced to it's proper level. But, ſo completely is the ſituation of the Company

reverſed

reversed by the Commutation Act, and so entirely are they relieved from the difficulty which would have arisen from the circumstance before-mentioned, that, in order to guard against even the possibility of a deficiency in the quantity necessary to answer the increased demand of the Publick, the Company have been obliged to have recourse to the Continent; and have actually purchased, of the Tea which was in Europe previous to the Year 1784, and of what arrived in that season, about lb 6,600,000; and the vigorous efforts which they are making in the present season, for the purpose of importing a sufficient quantity directly from China, in order to preclude the necessity in future of depending on their Rivals for a supply, will afford the means, in due time, of securing, both to the Nation and to the Company, the whole of those important advantages, which have already in part arisen from this measure, and which the Publick have a right to expect.

As the object of the present enquiry is restricted to the various benefits hitherto derived, or which may in future be derived, as well by the Company as by the Publick, from the Commutation-Act, it becomes unnecessary to discuss

discuſs the ſtate of the Company's Trade to China prior to that Act; I ſhall therefore confine myſelf to the advantage which has accrued to them ſince; and which can be preciſely aſcertained, from an Eſtimate of the Money which the Company would have received into their Treaſury, (the Duties not included) upon the ſuppoſition that 16,152,670 pounds' weight of Tea had been ſold, at the former prices; and the amount which they have actually received, excluſive of the Duty payable to Government, for the like quantity ſold ſince the paſſing of the Act.

The Average of the former Prices has been already ſtated. If the old Duties be deducted, and which amount to

s.	d.		
2	$6\frac{80}{100}$	per ℔	on Bohea
3	$8\frac{55}{100}$		on Congou
4	$3\frac{12}{100}$		on Souchong
3	$7\frac{75}{100}$		on Singlo
5	$11\frac{66}{100}$		on Hyſon

The net Prices which the Company received for their Tea prior to the Commutation-Act will appear to have been as follow; viz.

Bohea

	s.	d.
Bohea - - -	1	8 95/100 per lb
Congou - - -	3	1 70/100
Souchong - - -	3	9 74/100
Singlo - - -	3	0 75/100
Hyson - - -	5	10 96/100

The average-prices which the Company obtained for the Teas sold, on their own account, at their several Sales, during the first twelve Months after the Act took place, the Duty payable to Government not included, were as follow; viz.

Averages

	Bohea.	Congou.	Souchong.	Singlo.	Hyson.
	s. d.	s. d.	s. d.	s. d.	s. d.
Average-Prices of Teas fold between 16th Sept. 1784 and Sept. Sale 1785	1 $7\frac{16}{100}$	4 $2\frac{34}{100}$	5 $2\frac{12}{100}$	3 $0\frac{61}{100}$	6 $0\frac{55}{100}$
Net Average-Prices of ten Years' Sales prior to the Commutation-Act, Cuftom, Difcount, &c. deducted	1 $8\frac{95}{100}$	3 $1\frac{70}{100}$	3 $9\frac{74}{100}$	3 $0\frac{75}{100}$	5 $10\frac{96}{100}$
	s. d.	s. d.	s. d.	s. d.	s. d.
Gain or lofs to the Company, in confequence of the Alteration —	Lofs ⅌ lb. 0 $1\frac{79}{100}$	Gain — 1 $0\frac{64}{100}$	Gain 1 $4\frac{38}{100}$	Lofs — $\frac{14}{100}$	Gain - 0 $1\frac{59}{100}$

The quantities of the ſeveral ſorts of Tea ſold on the Company's account, within the firſt year after the Act took place, calculated at the difference between the average-prices which they produced, and what the ſame would have produced, if ſold at the average-prices of ten Years' Sales prior to the alteration, were therefore as follow; viz.

			s.	d.	
Congou	℔ 2,868,809	Difference in favour is	1	$0\frac{64}{100}$ ꝑ ℔	£151,089
Souchong	596,770	Ditto	1	$4\frac{38}{100}$	40,729
Hyſon	1,259,757	Ditto	0	$1\frac{59}{100}$	8,345
		Total Gain by the Alteration			£ 200,163
Bohea	6,076,620	Difference againſt	0s.	1d. $\frac{79}{100}$	£45,320
Singlo	5,036,101	Ditto	0s.	0d. $\frac{14}{100}$	2,938
		Total Loſs by the Alteration — —			48,258
		Gain by the Difference of Price —			£ 151,905
To which muſt be added Intereſt for two Years and an half (as explained before) upon the amount of Sales in conſequence of the Alteration — — —					160,000
		Total gained by the Company —			£ 311,905

A conſiderable part of the above Gain ariſes from the very high prices at which the Congou and Souchong Teas have been ſold; and which the Directors have exerted their utmoſt

endeavours

endeavours to prevent. It will be found, that, previous to the passing of the Act, the quantity of Congou Tea delivered, upon an average of ten years, amounted to no more than ℔ 695,870; and of Souchong, to ℔ 99,562; whereas, there were sold, within twelve Months after the Act passed, of Congou ℔ 2,870,719; and of Souchong, ℔ 635,866; which are considerably more than the proportion upon the whole of the Sales. And, notwithstanding the average-price of Congou has been pushed up to 4s. $8\frac{66}{100}$d. per ℔ by speculation, yet the Directors have invariably offered it at 2s. 5d; and the Souchong, which has been pushed up to 5s. $10\frac{14}{100}$d. per ℔, was offered by the Directors at 3s. The Directors, therefore, have done their duty, in endeavouring, by every means in their power, to reduce the prices paid by the Publick.

The Tea which the Company purchased upon the Continent, for the purpose of supplying this unexpected demand, has produced a very considerable profit.

The Quantity amounts to		lb 6,599,186
And for which they paid various prices, amounting in the whole to		£ 702,500
The Company had ſold, prior to the 18th of October, 1785, to the amount of - - -		731,000

There remained in their Warehouſes unſold lb 1,862,470: if the probable value thereof be eſtimated even below the Average of the firſt twelve Months' Sales, the amount will be as follows; viz.

		s.	d.		
lb 985,661 of Bohea,	at	1	6	per lb £73,924	
137,727 of Congou,	at	3	9	25,823	
19,308 of Souchong,	at	5	0	4,827	
718,070 of Singlo,	at	2	9	98,734	
1,704 of Hyſon,	at	5	10	497	
					203,805
					£ 934,805
Deduct for Charges, and for Allowances made by the Company, ſuppoſe 6 per cent. - -					56,088
					£ 878,717
Deduct the prime-coſt - -					702,500
Profit to the Company upon the Tea purchaſed on the Continent -					£ 176,217

It

It is fortunate for the Company, that, at a period when their own Stock, imported directly from China, was inadequate to the supply of the increasing demand of the Publick, they should be able so to manage, as to obtain a very considerable profit for the Teas purchased upon the Continent. This circumstance has, at the same time, proved advantageous to the Publick; first, in the tendency it has to reduce the price; and, in the next place, by retaining in this Kingdom Bullion to a large amount; which must have been remitted from hence, in addition to the Sum of £702,500, if the Tea had cost the Company a greater Price upon the Continent: but this Subject will be further discussed hereafter.

It now appears, that the quantity of Tea consumed in these Kingdoms was known to very few persons previous to the Commutation-Act; and, at this moment, there are those, who, from their situation, are capable of obtaining the best information, are still of opinion, that the East-India Company cannot sell more than lb 12,000,000 annually; notwithstanding there were actually sold, within the first twelve-months after the Act had passed, more than lb 16,000,000: and

this Sale was made during a period, when the Company were in a great meafure unprepared to meet fuch an unexpected and increafed demand; and, confequently, their Warehoufes were not afforted with Teas of fome particular qualities, which would have enabled them to have extended their Sales confiderably further than 16 Millions of pounds' weight. Moreover, it is a well-known fact, that, during the time that the meafure in queftion was in agitation, the Smugglers were every-where moft actively and vigoroufly employed, in difpofing of their Stock on hand; and in endeavouring, fo far as lay in their power, to fruftrate the Objects of the Bill: therefore, although the Warehoufes of the fair Trader were empty at the period when the Company began to fell, yet every place, to which the Smuggler could find accefs, was glutted. Under thefe circumftances, it is manifeft, that, whenever the Company's Warehoufes fhall be fo completely fupplied, as to be enabled to anfwer the demand which may be made by the Publick for Tea of every quality; and whenever the prices fhall be reduced fo low, as to prevent the Smuggler from interfering; the Company may extend their Sales to at leaft ℔ 18,000,000 annually

annually; but, more probably, to 19 or 20 millions.

When the Minister proposed his Plan to Parliament, I apprehend that he stated his expectation of a defalcation in the Revenue arising from Tea for some time to come; not chusing to augment the burthen upon the Windows beyond his estimate; but that he expected a reimbursement of such deficiency hereafter, when Smuggling in that article should be entirely suppressed; and when the Company should be enabled to supply the whole of the Tea consumed in these Kingdoms, by the total exclusion of all illegal competition.

The satisfaction which the Minister must enjoy, and in which the Publick will doubtless most cordially concur, must be great indeed, upon finding, that even during the first Year, in which, from various causes, many difficulties were to be encountered, which cannot exist hereafter, the remaining Duty upon Tea hath not only produced a Sum *equal* to the amount at which he had stated it, but considerably *exceeding* his estimate.

Prior

Prior to the alteration, the Publick received annually, from the whole of the Cuſtoms and Exciſe upon Tea, after deducting the Draw-back upon what was exported, no more than £815,606; and it was ſuppoſed, that, from the Duty ſtill continued upon Tea, £215,606 would be annually received, in the courſe of a few years. But the Duty of 12½ per cent. payable to Government, upon the quantity ſtated to have been ſold during the firſt twelve months after the Act took place, amounts to £312,055

Deduct the Draw-back upon exportation; - - -	36,015
	£276,040
Clear Gain, and Balance in favour, of the Revenue per annum, in conſequence of the Alteration; -	£60,434

with a probability of a further conſiderable increaſe.

It is impoſſible to ſtate with accuracy the produce of the Commutation-Duty upon Windows. Many Windows have been ſtopped up; and every method made uſe of, in numerous inſtances, to evade the Tax: but the checks which have

been

been devifed, to correct former irregularities, will in all probability hereafter render the produce equal at leaft to the fum at which it was eftimated: but, fhould it even fall fhort of that amount, the deficiency, though a lofs to the Revenue, will ftill prove a gain to the Publick, by augmenting the profit which they derive from a reduction in the price of Tea.

The advantages hitherto ftated, however important, are not the whole of the benefits which the Publick have already derived, and muft continue to derive in a ftill greater degree: for, in addition thereto, the Smuggler receives a fevere wound, in being deprived of one of the two great Articles for the affortment of his Cargo; and which cannot eafily be replaced by any other fubftitute. To render that wound mortal, the eyes of Government ought immediately to be turned to thofe Articles which ftill remain, fuch as Spirits, Tobacco, &c. and to which the principle of the Commutation-Tax may be correctly applied; and with equal fuccefs.

Great numbers of Perfons have objected againft the Commutation-Act, who refide at the Sea-Ports; and even fome of the principal Country-

Towns; alledging, that they do not derive that advantage from the reduction in the price of Tea, in return for the Duty which they pay for their Windows, which the Minister, and the East-India Company, gave them reason to expect. The truth is, that those persons and places were in general supplied by Smugglers; and therefore they are parties in the same cause. But numbers who reside even in those Places are convinced, that such practices are not only prejudicial to the Revenue; but that they also operate most fatally against the wealth and prosperity of the Country at large, by draining it of it's Gold and Silver, which have been conveyed to the Continent by the Smugglers to an immense amount. Such persons must, at the same time, be sensible, that, had it not been for the rising prosperity of this Country, towards which the checks given to Smuggling have essentially contributed, additional Taxes must have been imposed, of which they would have been obliged to bear their proportion; and the amount of which proportion would probably have greatly exceeded the whole which they now pay as a commutation upon their Windows.

The circumstance of the exportation of our Coin naturally leads to the consideration of a point,

point, which I conceive to be, at leaſt, of equal importance with any other; and in which the ſucceſs greatly exceeds the moſt ſanguine expectation; namely, the general effect which this Meaſure hath produced upon the wealth and public credit of the Kingdom, by preventing the remittance of very conſiderable Sums to the Continent for the purchaſe of Tea; and which are now retained for the purpoſes of our own circulation; thereby giving an additional facility and value to every ſort of property whatſoever.

In order to arrive at a proper knowledge of this Subject, it is neceſſary to ſtate, that, within twelve months after the Commutation-Act took place, the Company ſold of Tea, ℔ 16,152,670

The quantity formerly ſold or delivered amounted annually to about - - -	6,358,144
Remains to be ſupplied by the Smuggler; - - -	℔ 9,794,526

It is almoſt impoſſible to aſcertain the qualities or aſſortments of Tea of which this quantity is

 compoſed;

composed; but the best calculation that I can form is upon the whole amount sold in these Kingdoms during the last twelve months, either by the Company, or by the Smuggler. I have good reason to believe, that, from August 1784, to December 1785, there was smuggled into this Country not less than four Millions of pounds' weight; arising chiefly from the large Stock which remained in the Smugglers' possession when the Act passed; and from the low prices at which Teas were sold at that time upon the Continent. If from the quantities sold by the Company, and by the Smuggler, a most liberal allowance be deducted for the Stock which must remain at all times in the hands of the Purchasers, it will appear, that the annual consumption exceeds eighteen Millions of pounds' weight; of which, twelve Millions must have been constantly supplied by the Smuggler.

The assortment of the twelve Millions was nearly as follows; viz.

Bohea; lb 1,500,000; and of the remainder,
one half consisted of Congou;
one quarter, of Singlo; and
one quarter, of Souchong and Hyson.

According

According to theſe proportions, the quantity before ſtated, as remaining to be ſupplied by the Smuggler, may be aſſorted in the following manner; viz.

Bohea; about	lb 1,200,000		
Congou; -	4,300,000		
Souchong; -	700,000	}	lb 9,790,000
Singlo; - -	2,150,000		
Hyſon; - -	1,440,000		

Almoſt the whole of the Bohea was ſmuggled into the Weſt of England from Guernſey and Jerſey; and the finer ſorts were introduced into other parts of the country from Sweden, Denmark, Holland, and France.

In order to form a judgment of the value, I have obtained the beſt information in my power of the average-prices of Tea upon the Continent for three years prior to the Commutation-Act; and which I believe may be eſtimated as follow; viz.

Bohea;

			s. d.		
Bohea;	℔1,200,000	at	1 10	℘ ℔	£110,000
Congou;	4,300,000	-	3 4	-	716,600
Souchong;	700,000	-	3 10	- -	130,000
Singlo;	2,150,000	-	3 4	- -	358,300
Hyſon;	1,440,000	-	5 10	- -	420,000
	℔9,790,000				£1,734,900

In this Statement no notice is taken of the riſk of the Smugglers, nor of their profit; as it is preſumed that the ſame muſt ultimately revert to this country, if the Trade be carried on by Britiſh Subjects: but ſome allowance ought certainly to be made for their expenſes during the time they reſide abroad.

But, in order to aſcertain with preciſion the Balance againſt this Kingdom, there muſt be deducted the amount which the Eaſt-India Company have paid to Foreigners, for the purchaſe of Tea upon the Continent, being £702,500; which will leave a clear annual Balance againſt Great-Britain of £1,032,400; and which Sum the Commutation-Act has effectually reached, and permanently ſecured for the publick benefit.

The whole of this Balance muſt have been paid to Foreigners, in Gold or Silver, through the

the medium of the Smuggler, within the ſpace of twelve months, if the Commutation-Act had not paſſed. But, if the Company ſhall hereafter extend their Sales as far as eighteen millions of pounds' weight, this balance will be greatly increaſed; and there is reaſon to believe, that a leſs Sum than £702,500 will be ſufficient to enable the Company to ſupport their Sales even to that increaſed amount. It may be neceſſary, at the ſame time, to obſerve, that although the balance in favour of Great-Britain is ſtated at £1,032,400; yet the Sum heretofore paid annually to the Smuggler (excluſive of that part which the Commutation-Act has not reached) for the purchaſe of Tea, amounted to no leſs than £1,734,900; and which is now turned completely into the channel of the fair Trader.

To thoſe who are ſkilled in political Arithmetick, the advantages which muſt reſult from ſo large a Balance being thrown into the Lap of this Country, by ſo ſimple an operation, are obvious. The wonderful effect which it has contributed to produce upon the foreign Exchanges, by reducing the price of Gold and Silver, is matter of the utmoſt importance and advantage to the Bank of England, as well as to the

the Publick. And although the demand for our Manufactures, &c. together with the general prosperity of the British Empire, have also contributed thereto; yet that demand must fluctuate; whilst the Balance which this kingdom will possess, arising from the beneficial consequences resulting from the Commutation-Act, will be permanent and lasting; if the Legislature shall, on their part, adopt such measures as are calculated to secure and perpetuate the benefits so obtained; and which it is most indubitably in their power to do.

The late rapid advance in the value of property is a subject of astonishment with many Persons; and, without ascertaining precisely the whole of the cause, there cannot be a doubt, but that two circumstances have, in a most essential manner, contributed thereto; namely, the great influx of wealth, which has increased the number of purchasers; and the confidence, which augments daily, in the publick funds, from the prospect of the Taxes becoming more productive, in consequence of the suppression of Smuggling.

At the ſame time, the great and unexpected ſucceſs which has attended a ſingle meaſure, will naturally lead the true friends of the firſt commercial Country in the World to wiſh to purſue the advantage ſo happily obtained; and to adopt, as a general maxim, for the whole of our commercial ſyſtem, the ſame principle, which has been attended, in it's firſt application, with ſuch great and ſalutary benefits to the Trade, Finances, Publick-Funds, and landed-intereſt, of the Kingdom at large.

The idea, upon which the plan for commuting the Duties upon Tea was founded, if traced to it's true ſource, will be met with in Sir Matthew Decker; which book is in the hands of every perſon converſant with finance. It will be there ſeen, that the ſame principle equally applies, with comparative effect, to the Duties upon Salt; (as is more particularly and ably explained by a noble Lord) alſo, to Spirits, Tobacco, Glaſs, Printing, &c. the impoſts on which, according to the preſent mode of levying the ſame, as well as the Duties upon Manufactures in general, ſerve for no other purpoſe than to benefit the Smuggler; and to diſgrace the commercial ſyſtem of this country in the

eyes of every intelligent perſon, whether Native or Foreigner.

It may be moreover obſerved, that the advantages which the Publick will derive, from an extenſion of this principle to the Duties levied upon other Articles of Commerce, are not confined to internal regulation; but will alſo conſtitute the only ſolid baſis, upon which Great-Britain can found her ſyſtem for commercial arrangements with Foreign Nations, in the Treaties which are at preſent in contemplation.

But, whatever merit may be due to others, or whatever ſyſtem may hereafter be purſued, certain it is, that the Nation are moſt truly and highly indebted to the preſent Miniſter, for the numerous and important benefits which they have derived from the Commutation-Act; a meaſure, which, in it's conſequences, will prove as advantageous to the great commercial Intereſts of Britain, as it is honourable to the wiſdom, courage, and perſeverance of the Miniſter who has carried it through.

It muſt afford great ſatisfaction to thoſe Gentlemen, whoſe commercial knowledge will naturally lead them to an inveſtigation of the Subject, to be informed, that the Balance in favour of this Country will not be leſſened, by the meaſures which the Company will be obliged to adopt, for the purpoſe of ſupplying themſelves with Tea directly from China, in order to ſupport their annual Sales to ſixteen millions of pounds' weight; as the Sum of £ 702,500, charged in the Eſtimate, as having been paid to Foreigners for Tea during the laſt Seaſon, will be more than adequate to the end propoſed. It muſt alſo be obſerved, that, by the laſt advices received from Bengal, it appears, that the Governor-General expects to be able to make very conſiderable remittances annually to China out of the produce of the Territorial Revenue; the whole of which will tend proportionably to reduce the ſum of £ 700,000, which muſt otherwiſe be ſent thither in Silver from England: ſuch remittances may very probably, in a few years, amount to one third part of that Sum: but, if no aſſiſtance whatever ſhall be afforded from India to China, ſtill the ſum of £ 702,500 will be more than ſufficient to enable the Company to ſupport their Sales to the extent of ſixteen millions of pounds' weight per annum.

I am ſenſible, that, after having ſtated ſeveral very important benefits which have reſulted from this meaſure, I ſhall be told, that there are many others which have not been noticed; I will therefore endeavour to point out ſome of the advantages which remain for conſideration, and which claim our more immediate attention; leaving the reſt to be ſuggeſted by the good-ſenſe of the reader. Inſtead of paying for the ſurplus quantity of Tea in Bullion to Foreigners, through the medium of the Smuggler, the Company will be enabled to increaſe their Exports to China, in the Woollens and Lead of this Country, to a very conſiderable amount; and the Shipping of the Kingdom will alſo receive a moſt valuable addition, in the employment of forty-five large Ships more than are at preſent employed: for, if the Sales can be extended even no further than ſixteen Millions, the ſurplus of ten millions will require fifteen Ships annually to bring it home: and as the Ships of two Seaſons muſt be abſent together, and a third Fleet in a ſtate of preparation, it will require forty-five ſhips in all to carry on the additional Trade; the navigation of which will afford employment for 3450 Seamen.

In

In following up this great Concern, for the purpose of securing the benefits of it permanently to this Country, it will be expedient for the Company to change their System upon two material points; without which, they never can be able to import Tea into Europe upon terms equally cheap with the Foreign Companies. The one is, to send Silver to China, which can be purchased at present for about 4s. 4d. the Dollar, instead of being drawn upon from thence at the Exchange of 5s. 6d. which has been paid for some years past: and which mode has been adopted for this Season; the Company having taken the necessary measures for remitting Silver from hence to China, to the amount of £ 700,000, by the Ships at present under dispatch.

The other is, to reduce the Freight from China; as this trade never can support the present high freight, so long as there shall be any competition with Foreign Nations.

The remedy, with respect to the last point, is difficult: for although it may be urged, that the Company ought, and can, employ those Ships, the Owners of which will accept of the

loweſt freight; yet there are circumſtances, which deſerve attention, and conſideration, before the Company venture to depart from their ancient uſage, under the faith of which very large capitals are employed. There cannot, however, be a doubt, but that very material alterations in this branch of the Company's affairs muſt take place: for, whatever may be the diſpoſition of the Company to pay attention to the intereſts of a numerous and reſpectable body of men, who have rendered ſervice to them in times of difficulty; yet the price which the Company now pay for the freight of their Ships is ſo exorbitant, and the Publick at large are ſo much intereſted in the Company's welfare, as to preclude every idea of ſubmitting to the preſent Syſtem.

A propoſal has lately been made, to build a ſufficient number of Ships for the ſervice of the Company; and for which the Owners will contract for four Voyages, at five pounds per Ton leſs than the Company at preſent pay. And as the Company will employ at leaſt 30,000 Tons of Shipping in each Year, the Saving would amount to no leſs than £ 150,000 per annum.

It would ſwell this Treatiſe to a Volume to diſcuſs the Subject in detail; but it muſt be evident, even from what has been ſtated, that the Directors never can diſcharge the duty which they owe to their Conſtituents, and to the Publick, unleſs they make a total reform in this Department of the Company's affairs.

The quantity of Shipping neceſſary for carrying on the Company's Trade is about 100,000 Tons. Juſtice requires that attention ſhould be ſhewn to the old Owners; but the change muſt be made without delay; and be purſued with that firmneſs and impartiality, which it's magnitude and importance require; in order to convince the Proprietors, and the Publick, that the Object will, within a reaſonable time, be finally accompliſhed.

At the outſet of an arrangement of this nature, it is probable that the Saving will be moderate; but, whatever it may amount to, the whole muſt ultimately tend to reduce the prices at which the Company will in future offer their Teas for ſale; thereby rendering the Gain to the Publick ſtill more conſiderable than I have ſtated it; and, of courſe, more effectually than ever to

deprive

deprive the Smuggler, and Foreign Companies, of the only means, which are now left them, for entering into a competition with the Company, for the purpose of supplying our internal consumption.

Although the operation of the Commutation-Act has proved of very material advantage to the East-India Company; and has contributed, in a great degree, to relieve them from the difficulties under which they laboured; it would be extremely culpable in the Directors to rest contented with a temporary benefit; and not to use their best endeavours to improve, and to secure the advantages so obtained to their Constituents, and to the Country. They have accordingly exerted themselves for that purpose; not only by purchasing upon the Continent, as hath been already stated, to supply their immediate wants; but also, by sending a greater number of Ships to China; and by preparing Silver to a very large amount for exportation thither, in addition to the Woollens and Lead of Britain, without which the Tea could not be purchased. But it cannot be supposed, that their finances are at present in a condition to enable them to advance the whole of the additional Capital which will be requisite for the

occasion;

occaſion; and ſtill leſs to provide that Stock of Tea, to remain always in their Warehouſes, which the Act directs: for, having ſold ſixteen Millions of pounds' weight within the firſt twelve months, it will be neceſſary to import thirty-two Millions in one year, if the requiſitions contained in the Act be literally obeyed: but the Company have neither funds nor Ships ſufficient for that purpoſe; nor, if they had, is it probable that China could furniſh ſo large a quantity as thirty-two Millions of pounds in one year: the Company muſt, therefore, truſt, in part, to the Surplus which may remain of their old Stock; and to an accumulation from their future annual Imports, ariſing from a conſtant and gradual exceſs, over and above what may be required to ſupply the Sales of the year; until the whole quantity which, by the Act, the Company are directed to keep continually in their Warehouſes ſhall have been obtained.

In ſtating the amount of what the Company have already advanced, and the Capital which will hereafter be neceſſary, in addition to that which they have heretofore uſually employed in the Tea-Trade, it may be remarked, that, as the Sums which have been paid to Foreigners pro-

duce a quicker return, thoſe ſums cannot be conſidered in the ſame light as the Bullion and Merchandize which may be ſent to China. It is nevertheleſs true, that the Company muſt, at a certain period, be in advance for the whole. But, for the purpoſe of meeting that Objection completely, I will ſtate ſuch additional Sums only as they muſt permanently advance; viz.

Silver to be ſent to China in the Seaſon 1785-86 - -	£.700,000
Ditto in the Seaſon 1786-87 -	700,000
Ditto in the Seaſon 1787-88; being a moiety of the amount ſent in the preceding Seaſon	350,000
Additional quantity of Woollens and Lead. Of theſe articles the Company have hitherto ſent to the amount of about £111,000 annually to China; and of Silver to the amount of about £14,000 per annum: but they propoſe in future to augment their Exports of Woollens and Lead only to the	
Carried forward	£1,750,000

Brought forward	£ 1,750,000
amount of £300,000 per annum, the increaſe of Capital required for which purpoſe will be	437,000
As a Stock of ſix Millions of pounds' weight of Tea was ſufficient before the Act, and ſixteen Millions are now required, the firſt coſt of the additional quantity will amount to about - - -	600,000
The whole Freight on 15 Ships -	330,000
Impreſs on 30 additional Ships - -	60,000
Charges of Merchandize on ten Millions of pounds of Tea, about	70,000
Total	£ 3,247,000

which is the additional Capital neceſſary to enable the Company to fulfil the directions contained in the Commutation-Act, upon a ſuppoſition that the Sales will not exceed ſixteen Millions of pounds' weight annually.

As the Ships which will ſail from hence for China at the end of the year 1785, and the beginning of the year 1786, will begin to arrive

in England in the Summer of 1787, part of their Cargoes may be ſold at the September Sale of that year; for which reaſon, a proportion of the amount is deducted from the Capital to be advanced for Silver, to be ſent to China by the Ships of the following Seaſon; and the like with reſpect to the value of the Woollens and Lead. The whole, however, of the additional Capital which will be neceſſary, to enable the Eaſt-India Company to execute the purpoſes of the late Act; and to ſecure, in a permanent manner, for the Publick, and for herſelf, a continuance of thoſe benefits which have already ariſen, amounts to the enormous Sum of £3,247,000; the greater part of which will be found in the growing proſperity of the Company.

It may be neceſſary, at the ſame time, for the ſatisfaction of thoſe who may wiſh for information upon that ſubject, to ſtate what part of the Sum beforementioned is now employed, or will be immediately required: but premiſing, that, at preſent, the whole of the Money inveſted in the purchaſe of Tea upon the Continent is wanted; becauſe there will be an abſolute neceſſity for the Company to renew their purchaſes, until they can be ſupplied with a ſufficient quantity directly

from

from China. The Account then ſtands as follows; viz.

For the purchaſe of Tea upon the Continent - - -	£700,000
Silver to be ſent to China by the Ships of this Seaſon; -	700,000
Additional value in Woollens and Lead - - - -	175,000
	£1,575,000

In proportion as the Company obtain reimburſement for the coſt of the Tea purchaſed upon the Continent, an additional quantity of Silver and Merchandize will be wanted, to be ſent to China; proceeding thus gradually, until the whole of the Sum of £3,247,000 ſhall be finally and permanently inveſted.

Under theſe circumſtances, it becomes reaſonable that the Publick ſhould ſtep forward, and contribute ſome aſſiſtance towards promoting the general proſperity; as the moſt effectual means of rendering that Syſtem perpetual, which has proved ſuch a ſource of wealth to the Na-

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tion. In truth, the benefits derived by the Company are very inconſiderable, when compared with the immenſe advantages which the Publick have already reaped, and muſt continue to enjoy, from the Commutation-Act; and, conſequently, it is the intereſt of both to ſupport the meaſure; and to execute, in the fulleſt extent, the requiſitions and purpoſes of the Act. The Company will, however, ſtand in a ſituation totally different from that in which they have lately been repreſented; not as ſoliciting for relief in their diſtreſs, but as calling upon the Publick to contribute towards the advancement of their mutual proſperity; not as Paupers or Bankrupts, but for the honourable purpoſe of enabling them to diſcharge, with their accuſtomed zeal and fidelity, a Truſt which the Legiſlature has moſt wiſely committed to their care, for the welfare of the Community and of the Company; and, from the neglect or inefficient diſcharge of which, the moſt injurious conſequences to this Country would enſue.

It is however proper in this place to obſerve, that although the additional Sum of £3,247,000 will be neceſſary, to enable the Company to conduct their commercial concerns, in conſequence

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of the immenſe increaſe of their China-Trade; yet a very conſiderable part of that Sum has ariſen, and will continue to ariſe, from their increaſed Sales; thereby ſecuring, at the commencement of this buſineſs, great and important benefits, which, in almoſt every other plan of a commercial nature, can only be expected to accompany it's final execution.

The good faith and gratitude which the Company have already manifeſted towards the Publick, in the diſcharge of a part of their late obligations, afford ſufficient ſecurity for its further confidence. For although, in the Eſtimate of their Affairs, which was delivered to the Houſe of Commons on the 14th of February 1784, the Company propoſed to pay one half of the Duties poſtponed in the year 1786-87, and the remainder in the year 1787-88; yet they actually diſcharged the firſt payment, amounting to £401,119, on the 12th of May laſt; and the ſecond payment would alſo have been diſcharged on the 1ſt of January 1786, amounting to £522,400, had it not been for the large and unforeſeen demands upon the Caſh of the Company, for the purpoſes of purchaſing Tea upon the Continent, and of ſending Silver to China. And,

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to accomplifh thofe important Objects, they have neither had occafion to borrow any frefh Loans, nor even to avail themfelves of thofe credits and refources which they had at command.

Having given in detail the advantages which have refulted from the Commutation-Act; it may not be improper to endeavour to bring thofe, in which the Publick are more immediately interefted, into one connected point of view.

Firft; Let it be obferved, that the average-quantity of Tea fold by the Company for ten years prior to the paffing of the Commutation-Act, was very little more than fix millions of pounds' weight per annum; but, within the firft twelve months after the Act took place, the quantity fold exceeded ℔ 16,000,000.

Secondly; the amount of the Duty ftill continued upon Tea has, in the firft year only, exceeded the Eftimate by no lefs than £60,434.

Thirdly; the total Sum paid by the Purchafers, for Teas fold fince the paffing of the Act, amounts only to £2,770,799; but, had an equal quantity been fold at the former prices, the Purchafers

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muſt have paid not leſs than £4,826,261 : conſequently, the Publick have been benefited to the amount of £2,055,462 by this regulation.

Fourthly; the increaſe in the annual amount of the Company's Sales, will oblige them to extend their importations from China, in order to fulfil the requiſitions of the Act; and for which purpoſe, not leſs than 45 large additional Ships, and 3450 Seamen, muſt be conſtantly employed by the Company.

Fifthly; their exports of the Woollens and Lead of this country muſt be augmented from the value of £111,000, to which the amount has hitherto been limited, to at leaſt £300,000 per annum, which will be neceſſary hereafter.

Finally; the retaining within this Kingdom a Balance, amounting annually to no leſs than £1,032,400; which, prior to the Act, was regularly paid to Foreigners in ſpecie, through the medium of the Smuggler; and which Balance will in all probability be greatly increaſed, when the purpoſes of the Act ſhall have been carried completely into execution.

These advantages, which have arisen from a single operation, are of such magnitude and importance, as to satisfy every impartial person of the beneficial consequences which must result from a general application of the same liberal principle to the Duties still subsisting upon various branches of the Manufactures and Commerce of Great-Britain.

FINIS.